

## **REMARKS**

Claims 1-63 are pending in the application. Claims 1-68 have been rejected by the Examiner as lacking novelty and/or being obvious in view of U.S. Patent Application No. 10/003,341 to Treibach-Heck et al. and U.S. Patent No. 6,029,144 to Barret et al.

Applicants have amended in this paper claims 1, 23 and 45 (each of the independent claims) and deleted claims 3,4, 6, 9-12, 16, 17, 22, 25, 26, 28, 31-34, 38, 39, 42, 46, 48, 50, 53-55, 58 and 63. Claims 20, 42 and 61 were previously deleted in the Response to First Office Action. Claim 62 has been amended merely to remove a typographical error of duplicate language.

### **1. Response to 102 and 103 Rejections**

The Examiner has cited Treibach-Heck as anticipating the current invention. However Treibach-Heck has the same deficiency as Barret and all the other references cited thus far – namely, that it does not present a report back to the individual who submitted the receipts. In the previous Response filed by applicants on February 25, 2005, Applicants amended the claims to clarify that the electronic expense report must be displayed back to the person incurring the expense. The Examiner argues (at the end of the long paragraph on page 3) that the data "is accessible to the individual over network 700 based on clearance." Applicant respectfully disagrees with this analysis. Treibach-Heck specifically states that the "transferred data the resides at and is available for processing by a third party." (paragraph 17, lines 3-5, emphasis added). This "third" party is someone other than the individual incurring the expense. See also Treibach-Heck application: claims 1, 12, 15, and 18 (all making reference to third parties); Abstract, line 4 ("The invention allows other parties . . ."); paragraph 35, lines 6-7 ("center to act as intermediary for other parties").

The focus on displaying the report back to the user, that is the individual incurring the expense, is an important improvement of this invention. In this way the user can update, correct and add to the expense report prior to it being sent to others for approval or audit. Applicants respectfully request that the Examiner reconsider his objections in view of the limitations of Treibach-Heck, the arguments set forth above, as well as the arguments set forth in Applicant's Response filed February 25, 2005 on pages 13-15 (in particular the flow chart set forth on page 13).

In addition, Treibach-Heck has another limitation. The forms it scans and reads must be in a predetermined format so that it can analyze the data. See paragraph 43 of Treibach-Heck, discussing how the received form must be correlated to one or more known templates. See also Figure 1 of Treibach-Heck. Indeed, throughout the Treibach-Heck disclosure, all information is submitted on a "form". No such limitation exists with the Applicants' invention. Indeed, one of the strengths of the Applicants' invention is that it can extract data from receipts from a wide variety of vendors without a predetermined format. True, that, as a processing technique, the computer system of the present invention may have a database of widely used formats, such as for gasoline and restaurant chains, and the computer system might even learn the receipt formats of certain vendors frequented by the user. However, even where such information is not available, Applicants' invention can convert the receipt image into text data and parse the text data to locate expense information with which it populates the expense report displayed to the individual incurring the expense. (As noted in Applicants' previous Response, the term "individual incurring the expense" is meant to encompass the actual individual or his/her administrative assistant, in either case, the person who has to fill out the expense report.) The

ability to extract information presented in a "free format" is an important improvement of the current invention. Applicants have therefore amended the independent claims of the present application, claims 1, 23 and 45, to include this limitation. It is submitted that these claims are now in a condition for allowance.

It is further believed that the dependent claims are now allowable in view of the amendments to the dependent claims.

In view of the arguments and amendments set forth above, Applicants now believe all the currently pending claims are allowable as amended.

**2. Response to Paragraph 4 in 2<sup>nd</sup> Office Action**

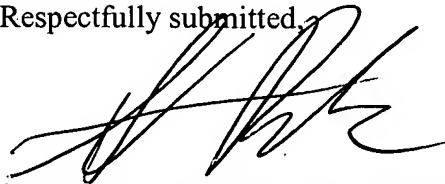
The Examiner stated that the "number of units being sold each month seems a bit high for the total sales amount." Applicant is not sure if the means that the Examiner has accepted or rejected the affidavit. Applicant points out that sales are not even, but have increased with time, which is why the total sales figure may seem low to the Examiner.

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It is respectfully submitted that all remaining claims in the application are allowable. Reconsideration and withdrawal of all rejections are respectfully requested. Favorable notice to this effect and early Notice of Allowance are earnestly solicited.

Should the examiner have any questions and in order to expedite prosecution of this Application, the Examiner is encouraged to contact the undersigned directly.

Respectfully submitted,



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